

FISCAL NOTE

SJR 45

March 26, 2003

SUMMARY OF BILL:

- Proposes to amend Article II, Section 28 of the Constitution of Tennessee by allowing the Legislature, by general law, to give the option to counties and municipalities to exempt all or part of county or municipal real property taxes owed by elderly homeowners on owner-occupied residential property.
- Allows the Legislature, by general law, to give the option to counties and municipalities to exempt all or part of county or municipal real property taxes owed by totally and permanently disabled persons, regardless of age, on owner-occupied residential property. If a county or municipality should choose to exercise either of these options, the cost would be the responsibility of such county or municipality.
- Provides that the amendment shall be referred to the 104 General Assembly and this resolution proposing such amendment shall be published in accordance with the Constitution of Tennessee, Article XI, Section 3.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$20,000 One-Time

Assumes a cost of \$20,000 to the Secretary of State to publish notice of the proposed amendment in certain newspapers as required by this resolution.

For information purposes, to the extent counties or municipalities chose to exercise either of these options, local government expenditures would increase. Such increase is estimated to exceed \$1,000,000. Approximately 10 counties currently provide tax relief in some form. The state tax relief program costs approximately \$10,000,000. It is estimated that these 10 counties are spending 10% of the cost of the program or \$1,000,000. This amount could increase depending on the number of counties and municipalities that choose to participate.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director